

## FOSTER PEPPER ....

Direct Phone

(206) 447-6408

Direct Facsimile

(206) 749-1969

June 23, 2008

E-Mail

milje@foster.com

## VIA E-MAIL

Robert Henkle, Jr. Reinhart Boerner Van Deuren S.C. 1000 North Water Street, Suite 2100 Milwaukee, Wisconsin 53202

Re:

Sargento/Calliari Dispute

Dear Bob:

In my May 23rd letter to you, Patrick Calliari gave notice that he was invoking his right to resign under the "Termination for Good Reason" provisions of Section 7(a)(ii) of his April 30, 2007 Employment Agreement with Sargento. That Agreement provides Sargento with a thirty-day window in which to cure the breaches identified in the May 23rd letter. The thirty-day period expired yesterday, June 22, 2008, without Sargento curing any of its breaches. Indeed, I received a letter on Friday from one of your colleagues, Patrick Hodan, which explained that Sargento will not correct any of its breaches. Consequently, Mr. Calliari hereby resigns for Good Reason under his Employment Agreement, effective immediately.

As detailed in the Employment Agreement, Sargento must comply with its ongoing obligations to Mr. Calliari, including continuing to pay Mr. Calliari's full salary and benefits through 2012. Furthermore, because Mr. Calliari is resigning "for Good Reason," he and the other former Shareholders of GCI are now entitled to a rebuttable presumption that they are entitled to receive the maximum earn out of \$25 million pursuant to section 1.6(d) of the Stock Purchase Agreement.

Sincerely,

JSM:ked

cc:

Tim J. Filer Patrick Calliari